



Investors Title Insurance Company

A Stock Company
P.O. Drawer 2687

Chapel Hill, North Carolina 27515-2687
(919) 968-2200 (800) 326-4842 FAX: (919) 968-2223

INDEMNITY AND ESCROW AGREEMENT FOR OPEN ESTATE

THIS AGREEMENT, made in triplicate this _____ day of _____, by and between

hereinafter called the Indemnitor/Depositor,
and _____

hereinafter called the Escrow Holder, ("NONE" if an Escrow Fund is not required to be established by the Insurer), and
INVESTORS TITLE INSURANCE COMPANY, its successors and assigns, hereinafter called the Insurer,

WITNESSETH

WHEREAS, Insurer has been requested to issue its policy or policies of title insurance insuring the title to property situated in _____ County, City of _____, State of _____, and briefly described as:

WHEREAS, the property was formerly owned by _____ deceased; and

WHEREAS, the Estate of the deceased has not been settled and the property is subject to debts, if any, against the estate of the deceased; and

WHEREAS, the property is subject to possible Federal and State inheritance or estate taxes, hereinafter called estate taxes; and

WHEREAS, the title to the property is, if the estate is testate, subject to possible appeal from the order admitting the will of the deceased to probate, to possible suit to impeach the will, and to possible discovery and probate of a later will of the deceased, all within the period prescribed by law; and if the estate is intestate, subject to the probate of a will of the deceased within the period prescribed by law; and

WHEREAS, Insurer has refused to issue such policy without exception to above matters, unless indemnified as herein set out;

NOW THEREFORE, Indemnitor/Depositor does hereby agree to indemnify Insurer against any and all loss, cost, charge, liability, or expense, including court costs and attorneys' fees, which it may sustain or be put to due to the issuance of owners' and/or mortgagee policies of title insurance on said property by reason of

- (1) there being an attempt
 - (a) to subject the property to the payment of debts against the estate;
 - (b) to subject the property to the payment of estate taxes;
 - (c) if the estate is testate, appeal from the order admitting the will to probate or institution of suit to impeach the will or the discovery and probate of a later will of the deceased, all within the period prescribed by law; and/or
 - (d) if the estate is intestate, to subject the property to the probate of a will of the deceased, within the period prescribed by law.
- (2) said property being
 - (a) subjected to the payment of debts against the estate of deceased;
 - (b) subjected to the payment of estate taxes;
 - (c) if the estate is testate, affected by appeal from the order admitting the will to probate or the institution of a suit to impeach the will or the discovery and probate of a later will of the deceased; and/or
 - (d) if the estate is testate, subjected to the probate of a will of the deceased.
- (3) unmarketability of the title to the property on account of the fact that the same is, or may be
 - (a) liable for debts or possible debts against the estate;
 - (b) liable for estate taxes, or possible estate taxes;
 - (c) if the estate is testate, subject to the possibility of or affected by an appeal from the order admitting the will to probate or the institution of a suit to impeach the will or the discovery and probate of a later will of said deceased; and/or
 - (d) if the estate is intestate, subjected to the probate of a will of the deceased.

(OVER)

**INDEMNITY AND ESCROW AGREEMENT
FOR OPEN ESTATE**

(Page 2)

() Mark here if an escrow fund is to be established pursuant to the requirements of the Insurer, and complete the next section.

FURTHERMORE, in consideration of the premises, the parties hereto mutually covenant and agree as follows:

As additional security, the Indemnitor/Depositor herewith deposits with the Escrow Holder the sum of \$ _____, receipt of which the Escrow Holder herewith acknowledges to be held by the Escrow Holder subject to the conditions set forth below:

(a) That Insurer shall have the right in the event the necessity, in its discretion arises, to apply all or part of the fund to the defense, without obligation to defend, of any claim or claims as aforesaid which may be asserted, or to the satisfaction of any such claim or claims and/or to the establishment of the title as insured by the policies of the Insurer on account of said matters;

(b) That the fund will be held until _____ year(s) has expired from date of probate of the estate of the deceased, at which time the fund will be returned to the Indemnitor/Depositor, less the charges, if any, of the Escrow Holder and less any amount or amounts of the fund which may have been paid in the defense or satisfaction of any claim or claims as aforesaid, provided Insurer is furnished a certificate of one of its approved attorneys or agent to the effect that no suit has been instituted against the estate for payment of any debts, and provided that estate taxes have been paid, or, if the estate is not subject to such taxes, that it is furnished with satisfactory proof that the estate is not large enough to have tax liability and provided further that no appeal has been taken from the order admitting the will to probate or suit instituted to impeach the will and there has been no discovery and probate of a later will of said deceased;

(c) That payment to the Insurer under (a) above shall be by Certified Funds or Escrow Holder's Escrow Account, on the demand in writing of the Insurer. Payments to the Indemnitor/Depositor under (b) above shall be made only after the Escrow Holder receives the written consent of the Insurer and no payment of any part of the deposit shall be made to the Indemnitor/Depositor, or on order of the Indemnitor/Depositor at any time, without the prior consent of the Insurer.

IN WITNESS WHEREOF, the parties have duly signed and sealed this instrument in triplicate.

Indemnitor/Depositor (SEAL)

Address: _____

Telephone: _____

Executed, subscribed, and sworn to me the day and year above written

Notary Public
My Commission Expires _____

Escrow Holder (SEAL)

Address: _____

Telephone: _____

Executed, subscribed, and sworn to me the day and year above written

Notary Public
My Commission Expires _____

AGREEMENT IS NOT VALID
WITHOUT INSURER'S
AUTHORIZED SIGNATURE

INVESTORS TITLE INSURANCE COMPANY
Insurer

By: _____
(Authorized Signatory)